of petrochemical complexes on awegional balance, in fait, I have taken a personal interest in this and I have instructed my Department that there should be the regional balancing out in setting up of the petrochemical industries in different parts of the country. As the hon. Member rightly pointed out, it also depends on the feedstock availability. As of now, we have a petrochemical complex already in Haldia, and also in Assam there is already the Bongaigaon Petrochemical Refinery Limited. And the Assam Government in the eastern region has asked for a petrochemical complex. We have asked the Government to have a feasibility report study done, ythen only we can take up this matter. And J am very happy. It is a very good suggestion. I have personally taken interest. *(Interruptions)*

THE DEPUTY CHAIRMAN: Question No. 105.

• Observation of the National Campaign Committee on drug policy

@*105. SHRI T. CHANDRASEKHAR REDDY:
SHRI MURLIDHAR CHANDRAKANT BHANDARE:

Will the Minister of INDUSTRY be pleased to state:

(a) whether Government's attention has been drawn to the observations made by the Chairman of the National Campaign Committee on drug policy, Dr. Bhasker Roy Chowdhury, as reported in the 'Hindustan Times' of June 9, 19S7 to the effect that the new drug policy is heavily weighed in favour of the multinationals to the detriment of the Indian sector and the consumer in India; and

(h) if so, what were the precise obser-

@ Previously Starred Question 45 transferred from the 29th July, 1987.

fThe question was actually asked on the floor of the House by Shri T. Chandrasekhar Reddy.

vations made by him and how far the Government agrees therewith?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETROCHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH); (a) Yes, Madam.

(b) The news item referred to in Part (a) of the Question contains" the comments of Dr. Roy Chowdhury. By and large, these appear to be based on some misconceptions.

SHRI T. CHANDRASEKHAR REDDY; Madani, I would like to know one thing from the hon. Minister. The Supreme Court has siven a judgment to collect 200 to 300 crores of rupees from the multinationals. Have they collected it?

THE DEPUTY CHAIRMAN: Just now it has been answered.

SHRI J. VENGAL RAO; Madam, Mr. Chandrasekhar Reddy has again put this question. I have already answered this question.

SHRI T. CHANDRASEKHAR REDDY; Madam, I was not here when he answered this question...

SHRI VISHVJIT PRITHVIJIT SINGH: Mr. Reddy was quoting the Supreme Conn judgment.

SHRI T. CHANDRASEKHAR REDDY; On 10th April, 1987, the Supreme Court directed the Government...

THE DEPUTY CHAIRMAN; The question has already answered. You pot your second question now.

SHRI T. CHANDRASEKHAR REDDY; I do riot have any second question.

SHRI RAJNI RAJAN SAHU Madam, the hon. Minister has partly agreed that the new drug policy is heavily weighted m favour of multinationals to the detriment

of the Indian sector and the consumer in India, when he replied as 'Yes, Sir' to part (a) of the question. He said that there is some misconception. I would like to know from the hon. Minister as to what are the disincentives to the multinationals in the new drug policy or the new measures.

SHRI R. K. JAICHANDRA SINGH: Madam, we have said on- a number of occasions that in the new measures, the conditions of the FERA companies have been much more stringent. Their entry has been restricted to only 66 items now while under the earlier policy they could enter into the manufacture of any item which would involve high technology or bask stage manufacture. The ratio parameter between the bulk and formu lations has also been reduced from 1.5 to *1.4* for FERA companies. The new asures were appreciated by the pharmaceutical industry in general. I think that is about all that has been asked. These are some of the disincentives. And it is not true that the new measures are in favour of the multinational companies or anti-people. In fact, recently all these people, including Mr, Roy Chou-.ihary, and a number of other people met the department officials. We have explained to them and they were very happy and they said that they would be cooperating in implementing this policy and they had gone back with great satisfaction.

SHRI M. KADHARSHA: Madam, I would like to say that the drug policy is not only pro-rich but also pro-multinational. The Government has succumbed to the pressure of multinationals for delicensing the drugs. The Government has proposed to decontrol prices of 70 per cent of drugs and have provided in the new measures that the Ministry will strictly monitor the prices of decontrolled medicines. I would like to know from the hon. Minister how increases in prices can be prevented merely by monitoring when there are no limits on profitability and when the cost of production of these decontrolled formulations will not be monitored as per the new measures.

SHRI R. K. JAICHANDRA SINGH; Madam, I will try to answer the last question first. About profitability, it would be erroneous to say that there is no limit on profitability because the new DPCO has not come into effect. The Government is considering this question. The question of not having a limit on profitability does not arise. Regarding the first question I have already answered thai there are some stringent measures on delicensing. Since the new measures have come into existence since December 1986 there has been no delicensing under the criteria set out by the Gorermaent. The earlier delicensing was done much earlier ter 1986. It was done in 1984 and that has been done due to certain criteria and this is done specially with regard to those items where production is not sufficient. The availability question has coroe up time and again and this is where I have said that unless we delicenso other competitors wil| not come and invest in this sector. Then the availability question' will be seriously hampered. This is why the earlier delicensing policy Of 1984 was done.

SHRI VISHVJIT PRITHVIJIT SINGH: 1 would not like to argue with the hon. Minister when he said that delkensin:; was done only Woere sufficient production was not there because I have given figures to the Hon. Minister where I have said and proved by bis own statements made in the House that even where proper production is available according to planned targets, the drags have been de-licensed. I have asked the hon. Minister to kindly review that position and he says privately 'yes' I am . going to do it. but publicly he says, we are not going to do it. Everybody has raised so many pionts. But the basic is of multinational companies. How do we deal with these multinational companies? Either we treat them as multinational companies, give them a particular area and say this is an area in which you can operate. Today multinational companies have to come under the FERA Act, reduce their equity and become for all practical purposes, ex-FERA companies. But they are still multinational companies. They are still controlled by their principals abroad. They are still foreign companies. ,But they are treated on

par with Indian companies. We had expect-d an exercise was on in the Government of India, in the different departments, incling the department headed by the Minister, including the Finance Ministry also, where too a tremendous exercise was on

THE DEPUTY CHAIRMAN; I hope you will leave some time for the Minis ter to answer.

SHRI VISHVJIT PRITHVIHT SINGH: Yes. yes, there is plenty of time. One of the exercises was to try

categorise the Non -FERA compa- into a special category 'and thai lion has not come about The problem. as the hon. Minister kners and he knows it very well, because he has discussed it in various fora, is of the multinational ex-FERA companies. I would bke to know from the hon. Minuter what is going to be his attitude,

is the attitude of his department to the recommendations as he made to the Finance Ministry regarding ex-F£RA multinational companies? Are they going to come under some ambit or control or' arc they going to be lefe totally free to do what they like to profiteer, to take the money out of this country and to do what. they like. I would like* to know this

the hon. Minister.

SHRI . VENGAL RAO: The hon. Member, Mr. Vishvjit Singh is one of our CoEsultfitive Committee Members. Ha raised so many questions and *I* sent him answers in-writing^ He expressed his opinion in the Consultative Committee, a*nd* he is satisfied with my answers. It he still has any doubt, we will certainly satisfy him.

THE DEUPTY CHAIRMAN; Next question.

*106. *[The questioners {Shri T. R. Bala find Shri V, Gopalsamy) were absent. For answer,* vide *col.* 33—3S . infra.]

*107. *[The questioners (Shri Kapil Verma and Shri'V. Narayanasamy) were absent. For answer,* vide *col.* 36-37 infra]

*108. *[Tha questioner Shri Santosh Kumar Sahu) was absent. For answer* vide 37—42 infra]

"109. [T/ie questioners (Shri Ashwani Kumar and Shri Lal K. Advani) were absent. For answer, vide *col,* 45 infra]

110. *[The questioner (Shri Sukomal Sen) was absent. For answer,* vide *col..* 43-44 infra.]

111. *[The questioners (Shri M.A. Baby and Shri Minna! Chatterjee) were absent. For answer,* vide *col.* 44-45 *infra}.*

112. *[The questioners (Shri Chitta Basu) was absent, For answer,* vide *col.* 45 infra].

*H3. *[The questioner (Shri V. Nara-yanasamy) was absent. For answer,* vide *col.* 45-46 infra.].

Number of oil wells drilled in earner) basin

-II4. SHRI ALADI ARUNA *alias* V. ARUNACHALAM: Will the Minister *rf* PETROLEUM AND NATURAL GAS b$_e$ pleased to state:

(a) what is the number of oil wells drilled in the Cauvery basin;

* (b) what is the qu'antum of oil taken from those wells; and

(c) whether there is any proposal to start, an oil refinery in Tanjoro District for utilising the Cauvery Basin crude of'

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI BRAHM DUTT); (a) I hiny two on-land and twenty oil-shore wells have been drilled in Can-very basin so far.

(b) Presently, about 36 tonnes of pit per day is being produced from, two wells through extended production test ing.

'(c) There is no such proposal at present.

SHRI ALADI ARUNA *alias* V. ARU-NACHALAM: It has been reported in the press that after the drilling of new wells in the Cauvery Basin, adequate quantity of petroleum has been found to estab-